

Russia to Buy Gas Turbines for Crimea From Siemens Subsidiary – Report

By [The Moscow Times](#)

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Siemens owns a 65 percent stake in Siemens Gas Turbines Technologies, which manufactures and services gas turbines.

Russia will buy gas turbines for two new power plants to be built in the annexed territory of Crimea from a company majority-owned by Germany's Siemens, newspaper Vedomosti reported Tuesday citing unidentified sources.

Russian engineering company Technopromexport, a subsidiary of massive state technology holding Rostec, has already signed the contract with St. Petersburg-based Siemens Gas Turbines Technologies (SGTT), Vedomosti reported, citing an unidentified government official and a source close to one side of the deal.

Siemens, the largest engineering company in Europe, owns a 65 percent stake in Siemens Gas Turbines Technologies, which manufactures and services gas turbines. The remaining 35 percent stake is owned by Russian partner Power Machines.

If confirmed, such a deal could violate EU sanctions imposed on Crimea in December that bar EU companies from exporting energy technology to Crimea or providing services to energy infrastructure there.

A Siemens spokeswoman told The Moscow Times that the company always does business "within the valid political and legal frameworks."

"Siemens respects the decisions taken regarding sanctions and will, of course, abide by the current sanction provisions," she said. Siemens cannot discuss the details of individual contracts, she added.

Russia's annexation of Crimea from Ukraine last year has put the region in a delicate position, with much of its most vital supplies — including power — still coming from Ukraine. At peak hours Crimea now receives about 90 percent of its energy from Ukraine, according to Vedomosti.

The contract with SGTT concerns four combined cycle gas turbines, according to Vedomosti. A Vedomosti source said that the equipment would first be sent to the southern Russian town of Taman in order to evade sanctions but then later delivered to Crimea.

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